



BLOCKCHAIN INVESTMENT & ADVISORY

CRYPTO MARKET UPDATE

20 May 2019

- ▶ Bitcoin's dominance is down by 2.8% (57%), the total market cap is up by 16.1% (\$245bn), and overall volume remains unchanged (\$80bn) since the previous week. Bitcoin is up by 10.9%, Ethereum by 30%, XRP by 24%, and EOS is up by 15%. The best performers among the top-30 crypto were NEM (57.1%), Chainlink (48.2%) and Tezos (38.1%).
- ▶ CME's Bitcoin Futures Record Daily Volume
- ▶ Amazon Files Proof-of-Work Patent Using Cryptography
- ▶ Microsoft is Building ID Verification Platform on Bitcoin
- ▶ Grayscale Sees 40% Increase of Investment Inflow in Q1
- ▶ ICO Market is Down 97% in Q1 2019
- ▶ Blockstream Announces New Security Token Platform
- ▶ SEC Deadline for VanEck Bitcoin ETF on Tuesday
- ▶ Platforms Listing IEOs May Face Regulatory Trouble
- ▶ New York Court Grants Bitfinex's Motion to Modify Injunction

Date	20 May 2019
Crypto MktCap	\$245 bn
24H Volume	\$80 bn
BTC dominance	57%

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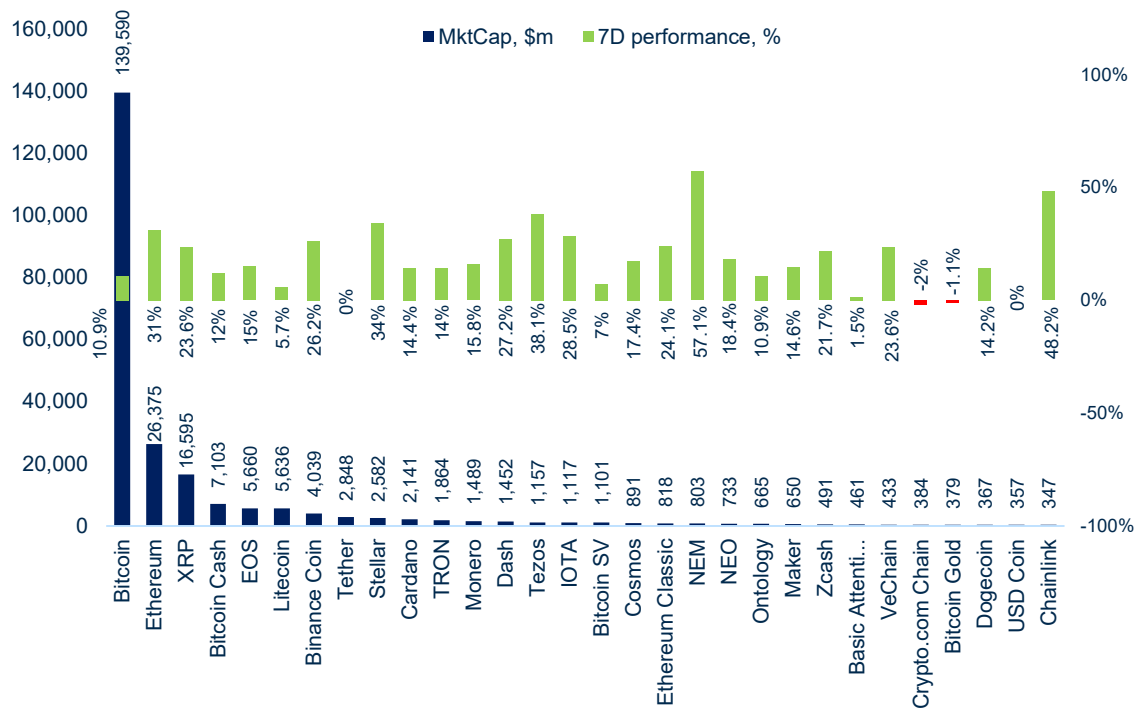
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**Pricing as of 10:00 AM BST 20/05/2019.*

MARKET MOMENTUM

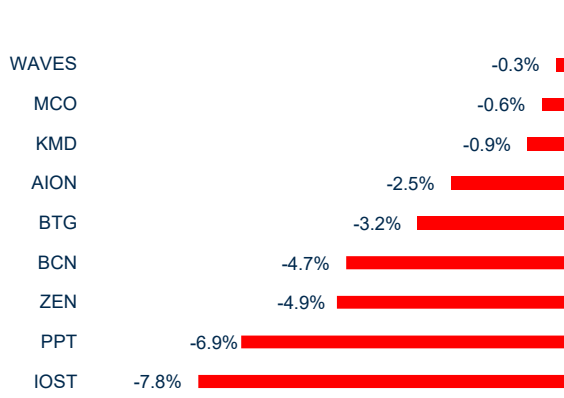
Over the past week, bitcoin’s price has rallied significantly above the \$8k resistance against the US Dollar. The pair even surged above a new 2019 high approaching \$8,360. Later, there was a sharp downside correction, but none of the spot exchanges were looking at much below \$7k except Bitstamp which was getting driven hard by a \$2k sell wall and dumped out to \$6.1k, just enough to drive the average down and fill the CME gap at \$6.2k. A fall of more than 25% was bought instantly and BTC is currently hovering around \$8k resistance. The rest of the top-30 market performed quite significantly, with gains ranging from 10% up to 50% in some cases.

Figure 1. The performance and market capitalisation of top-30 cryptocurrencies (by MktCap)



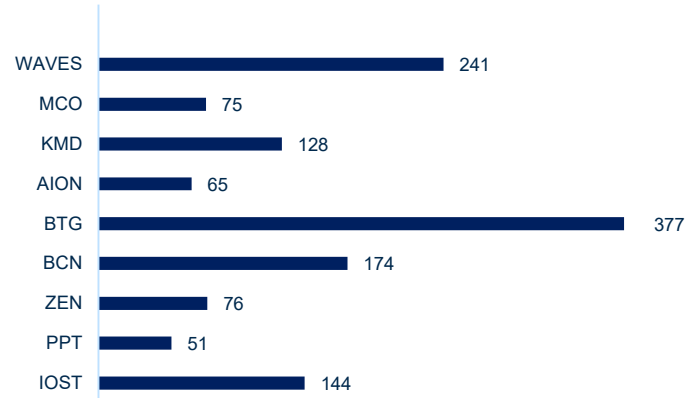
Source: coinmarketcap.com, as of 20th of May 2019 as of 09:00 AM BST.

Figure 2. Worst performing digital assets* (7 days)



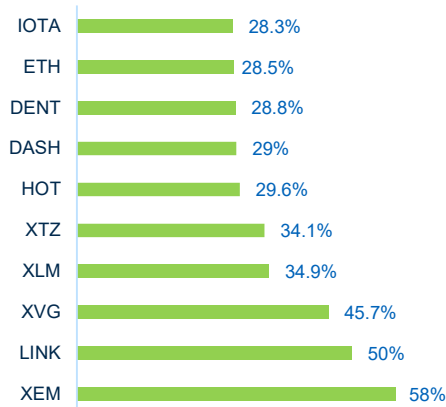
Source: coinmarketcap.com, *) MktCap>=\$50m

Figure 3. MktCap of worst performing digital assets*



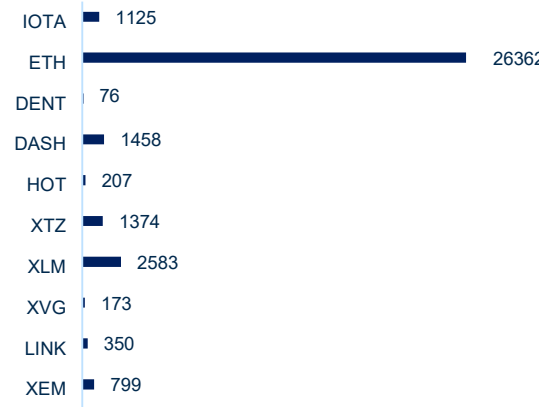
Source: coinmarketcap.com, *) MktCap>=\$50m

Figure 4. Best performing digital assets (7 days)



Source: coinmarketcap.com, Mkt Cap >=\$50m

Figure 5. MktCap of best performing digital assets



Source: coinmarketcap.com, Mkt Cap >=\$50m

Figure 6. Top-30 digital assets by MktCap valuation

Asset	Ticker	Sector	Price,\$	Network value,\$m	24H volume , \$m	Network value to Transactions volume (24H)	Consensus	%7d	Price, % of ATH
Bitcoin	BTC	Currency	\$7,881	139590	23766	5,9	POW	10,9%	39%
Ethereum	ETH	Platform	\$248	26375	11122	2,4	POW	31%	17%
XRP	XRP	Currency	\$0.39	16595	2556	6	FBA	23,6%	10%
Bitcoin Cash	BCH	Currency	\$399	7103	3223	2,2	POW	12%	9%
EOS	EOS	Platform	\$6.2	5660	2733	2,1	DPOS	15%	27%
Litecoin	LTC	Currency	\$91	5636	3948	1	POW	5,7%	24%
Binance Coin	BNB	Exchange	\$28.6	4039	414	9,8	POW	26,2%	95%
Tether	USDT	Stable coin	\$1	2848	24,5	116	POR	0%	
Stellar	XLM	Platform	\$0.13	2582	475	5	FBA	34%	14%
Cardano	ADA	Platform	\$0.082	2141	127	17	POS	14,4%	6%
TRON	TRX	Platform	\$0.027	1864	689	2,7	DPOS	14%	9%
Monero	XMR	Privacy coin	\$87.6	1489	68,1	21,9	POW	15,8%	18%
Dash	DASH	Privacy coin	\$164	1452	534	2,7	POW	27,2%	10%
Tezos	XTZ	Platform	\$1.75	1157	7,1	163	dPOS	38,1%	15%
IOTA	MIOTA	Platform	\$0.40	1117	21,4	52,2	DAG/POW	28,5%	7%
Bitcoin SV	BSV	Currency	\$61.9	1101	163	6,8	POW	7%	48%
Cosmos	ATOM	Platform	\$4.67	891	79,1	11,3	POS	17,4%	
Ethereum Classic	ETC	Platform	\$7.41	818	646	1	POW	24,1%	15%
NEM	XEM	Platform	\$0.089	803	36,1	22,2	POI	57,1%	4%
NEO	NEO	Platform	\$11.28	733	452	1,6	dBFT	18,4%	6%
Ontology	ONT	Platform	\$1.34	665	106	6	POS/BFT	10,9%	12%
Maker	MKR	Stable coin/Dapp	\$650	650	5,7	114,0	POW	14,6%	38%
Zcash	ZEC	Privacy coin	\$74.82	491	444	1,1	POW	21,7%	8%
VeChain	VET	Platform	\$0.007	433	18,7	23,2	POA	23,6%	9%
Bitcoin Gold	BTG	Currency	\$21.68	379	23,2	16	POW	-1,1%	4%
Dogecoin	DOGE	Currency	\$0.003	367	60,8	6,0	POW	14,2%	16%
Qtum	QTUM	Platform	\$2.98	285	250	1,1	POS	21,4%	3%
Decred	DCR	Currency	\$28.71	281	2,8	100	POS/POW	4,4%	23%
Waves	WAVES	Platform	\$2.42	241	28,2	9	LPOS	-0,7%	13%
Augur	REP	Platform	\$21.47	236	16,4	14,4	POW	6,2%	18%

Source: Coinmarketcap.com, NKB Research *as of 20th May 2019, 10:30 BST

CRYPTO MARKET NEWS

Amazon Files Proof-of-Work Patent Using Cryptography

Amazon has filed a US patent for a PoW system as a tool against DoS (denial of service) attacks which uses cryptography to generate Merkle trees, and which is used by other PoW chains such as Bitcoin to verify the content of large data structures.

CME's Bitcoin Futures Record Daily Volume

CME Group, the world's largest options and futures exchange declared its bitcoin futures product recorded a new all-time record of 33.7K contracts sold in one day — shattering the prior records of 22.5K and 18.3K set on Apr 4th and Feb 19th, respectively. Considering each contract is equal to 5 bitcoins, the total notional value of 33.7K contracts equates to more than \$1 billion in total value traded, and more than 168K worth of bitcoins.

Whole Foods Now Accepts Bitcoin

Amazon-owned retails Whole Foods now accepts Bitcoin and three other digital assets via its partnership with payments start-up Flexa and crypto exchange Gemini.

Coinbase Negotiates Acquisition of Xapo's Bitcoin Custody Business

Leading US crypto exchange Coinbase is reportedly in negotiations with Hong Kong-based BTC custodial firm Xapo (\$5.5bn AUM) for potential acquisition worth \$50m in cash.

Speaking at Consensus 2019, Coinbase's CEO Brian Armstrong has confirmed, that his firm Coinbase Custody (launched 1 year ago) now has \$1bn in AUM, growing by \$150m monthly.

Microsoft is Building ID Verification Platform on Bitcoin

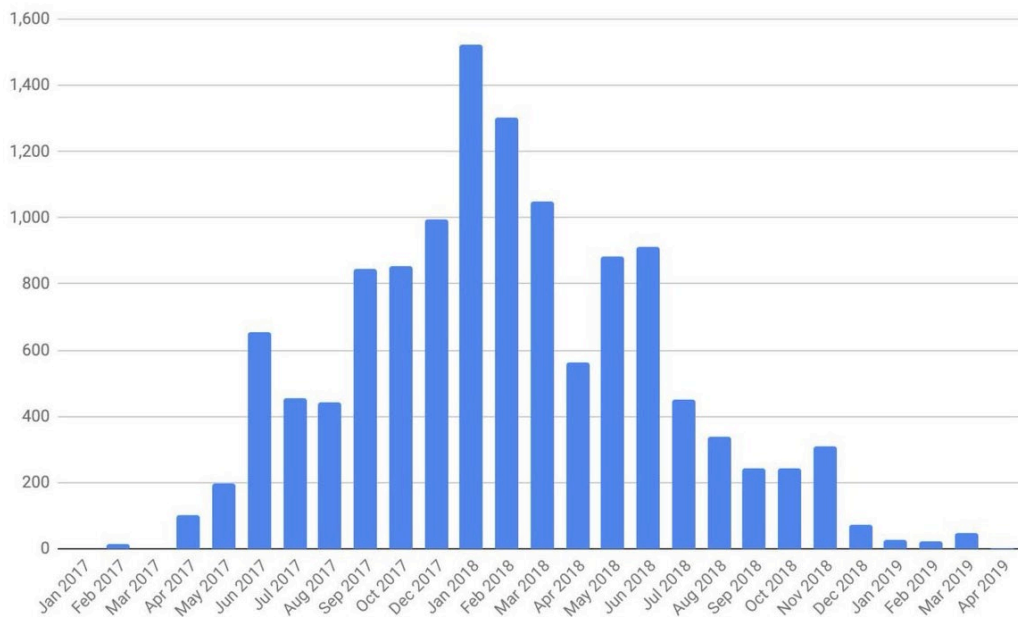
Microsoft is leveraging blockchain technology to create a trustless digital identity scheme in a project called ION. ION is an open-source, Layer 2 network built out of the public key infrastructure protocol Sidetree. The idea is that instead of logging into Facebook, email or any other application with a username, users can use a digital decentralized ID (DID) instead.

Grayscale Sees 40% Increase of Investment Inflow in Q1

The largest crypto asset manager (\$1.2bn+ AUM), saw more than a 40% QoQ increase in product inflows, from \$30.1 million in Q4 to \$42.7 million in Q1, mostly fuelled by offshore hedge funds looking for BTC exposure. In contrast to the prior 12 months, 99% of inflows into Grayscale products went into its Bitcoin Trust, compared to 76% of inflows over the prior year.

ICO Market is Down 97% in Q1 2019

The ICO market has shrunk dramatically in terms of its size, where the whole market is down by around 97% in Q1 2019, with respect to the amount of capital raised.



Source: BitMEX Research

SECURITY TOKEN NEWS

Blockstream Announces New Security Token Platform

Blockchain infrastructure firm Blockstream is launching its security token platform as a solution for businesses to issue security tokens on the Liquid Network, as current options such as Ethereum have many limitations. BnkToTheFuture, TokenSoft, Zenus Bank and Pixelmatic are all partnering on this project.

Securitize is Open Sourcing its Code

Security token infrastructure platform Securitize is partnering with tZero exchange to open-source their code. This partnership will also allow tZero to list tokens, issued by Securitize.

Harbor Partners with Rhodium

Token sales platform Harbor is partnering with Rhodium Capital Advisor to create a security token that represents ownership of a number of properties, hoping to provide affordable housing, according to a press release.

REGULATORY NEWS

SEC Deadline for VanEck Bitcoin ETF on Tuesday

Just a quick reminder to keep an eye on this, as the SEC's final deadline on VanEck's Bitcoin ETF proposal is approaching its deadline (21st May 2019).

Platforms Listing IEOs May Face Regulatory Trouble

According to the SEC advisor for digital assets, Valerie Szczepanik, platforms seeking to list initial exchange offering (IEO) tokens for a fee could find themselves in regulatory trouble. *"If they are (platforms) not registered they will find themselves in trouble in the U.S., if they have a U.S. issuer or U.S. buyers, if they are operating on the U.S. market."*

New York Court Grants Bitfinex's Motion to Modify Injunction

The New York Supreme Court has granted Bitfinex's motion to modify the injunction obtained by the New York Attorney General. The court's order allows Bitfinex and Tether to continue their normal business activities. It also stipulates that the injunction will expire in 90 days.

Poloniex Fearing Regulatory Backlash Prevents Sale of Some Crypto Assets

US-based crypto exchange Poloniex announced that it will prevent US buyers from purchasing nine crypto assets. Poloniex said that the assets – ARDR, BCN, DCR, GAME, GAS, LSK, NXT, OMNI, and REP – are dangerously close to being securities under US law. Non-US buyers will still have access to the tokens.

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